

**MINUTES OF THE DIRECTORS MEETINGS OF THE
STATE OF NEW YORK MORTGAGE AGENCY**

**HELD ON THURSDAY, JANUARY 26, 2023 AT 9:15 A.M.
641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

DIRECTORS AND DESIGNEES

RuthAnne Visnauskas	Commissioner, the New York State Division of Housing and Community Renewal
Wallace Ford II	Director, representing the Temporary President of the Senate
Bethaida Gonzalez	Director (via video conferencing)
David E. Kapell	Director, representing the Office of the State Comptroller
EJ Freeman	Director, representing the Speaker of the Assembly
Jesse Olczak	New York State Division of the Budget, representing the Acting Budget Director (via video conference)

Ms. Visnauskas noted that Chairman Adams could not attend today's meeting, and, in his absence, she presided over the meeting. Ms. Diana Villarnovo Lopez, Senior Vice President and Counsel to HCR, formally opened the meetings and acted as secretary.

Ms. Lopez noted that Mr. Jesse Olczak, representing the Director of the New York State Division of the Budget, is participating via video conference from the Capitol Building, Room 131, in Albany; that Bethaida Gonzalez is participating via video conference from the Syracuse Regional Office, 620 Erie Boulevard, Suite 312; and Andrew San Filippo, representing the State Comptroller is participating from the Agencies' Buffalo regional Office at Electric Tower, 535 Washington Street, Suite 105.

A public notice was given of the time and location of the venues in accordance with the New York State Open Meetings Law.

Ms. Lopez asked for motions and seconds to call to order the January 26, 2023 meetings of the New York State Housing Finance Agency (HFA), the New York State Affordable Housing Corporation (AHC), the State of New York Mortgage Agency (SONYMA), the New York State Municipal Bond Bank Agency (MBBA) and the New York State Tobacco Settlement Financing Corporation (TSFC).

Ms. Lopez asked for a motion to call the meeting of the SONYMA Board to order, Mr. Freeman motioned to call the SONYMA Board to order and Mr. Kapell seconded the motion.

Ms. Lopez noted that these motions and seconds would be used, unless specific items called for a different vote, or unless any Committee Member wished to record his or her vote differently.

Ms. Visnauskas made her President's Report.

She started by wishing everyone a Happy New Year. Ms. Visnauskas then summarized some of the key points from the newly announced Housing Plan as noted in the Governor's recent State of the State speech. She started by focusing on the new "Housing Compact" idea, which is premised on the crisis around housing that stems from the fact that if you look back 10 years, you see that New York State created approximately 1.2 million jobs in the State and created approximately 400,000 units of housing. Ms. Visnauskas noted that there exist enormous pressures on rental prices and home prices across the State, adding that in New York City, the median rental price is double what the median family is earning. She stated that the increased unaffordability is not just a New York City problem: it affects the rest of the State also. The rent burden exists in every region of the State and it's largely a result of the lack of building. She used New Jersey and Connecticut as examples. She stated that in the case of northern New Jersey, they built to almost 200,000 more housing units than jobs they created. And Connecticut created about 50,000 more housing units. By way of comparison, New York State created 400,000 units compared to 1.2 million jobs.

To address this situation, the Governor and HCR looked at the data and estimated that we need to double that rate of production to go from 400,000 units to 800,000 units over the next 10 years. So, with that as background, she noted that the Housing Plan features three policy changes.

One is requiring all localities to increase housing supply, and this means rezoning and making changes to allow more housing to get built. The New York suburbs have been described as having some of the most exclusionary zoning suburbs in the country, and that means getting localities to change their zoning as a key part of housing growth.

The second policy change is transportation development. Metro-North, Long Island Railroad and the New York City subway system actually have much capacity for residential growth around them. So, the second policy change is to go to localities that have a train station and to say that you need to allow residential multifamily development in the neighborhood of your train station.

The third policy changes revolve around a bucket of things that New York City can do to allow more commercial office buildings to convert to residential and also to allow New York City to legalize basement apartments.

Ms. Visnauskas then summarized briefly the schedule revolving around next steps in getting the Plan started, and she paused to recognize the amount of work that staff has done to get the various pieces of legislation drafted, noting the work of Brooke Davies and her team who have

been working day and night on this. She also thanked Jesse Olczak and the staff at DOB for all their assistance.

She then noted some recent HCR events. She stated that she hosted a round table that had high level executives from Yonkers, New Rochelle and New York City, as well as folks from the clergy, the nonprofit community and the business community, for the opening of one of our recent projects—Dayspring Commons. She also noted that she was in Rochester on Monday this week with the Governor where we announced another idea that is in the budget and that concerns lead paint, as unfortunately we are still suffering from child lead paint poisoning in 2023. The discussion was about expanding what has been a really successful program in Rochester to increase lead paint inspections in rental housing. There are approximately twenty-five localities upstate that actually have still quite high levels of childhood lead poisoning. And this is an effort to get a timetable of inspections and corrections in those places to get those numbers down.

Ms. Visnauskas then noted that Professor Ford's birthday had been celebrated recently and noted that cupcakes were on the table and available to the Board as part of the celebration. She closed by noting that this was Linda Baldwin's last meeting, as she was moving to be Counsel at the new Cannabis Board. She thanked Ms. Baldwin for her work on the MBBA Board and wished her the best.

Ms. Visnauskas then fielded questions from the Board. The first concerned the apparent inconsistency between the State losing population over the recent years and the increased need for housing. Ms. Visnauskas acknowledged that the State has fewer people but reiterated that there still is a housing deficit. She explained that it all has to do with regional differences. The New York City, Long Island and Westchester housing markets are extremely tight. There will also be a substantial amount of growth in Syracuse. With the Micron announcement, there are expected to be 1000 or so people coming in to start building the first phase of that project. And then there will be all the people who come in and work there. The other issue that impacts the need for housing is the quality of the housing stock, particularly in upstate New York.

The discussion then shifted to the oversupply of office space in New York City and the barriers, revolving around zoning, that exist to prevent conversions to affordable housing. Ms. Visnauskas noted the recommendation of the Governor's task force on that issue. Mr. Kapell noted that coming from a small town with a railroad station, he had noticed that the requirements are going to be for 25 units per age group or anything within a half mile. He asked whether that takes into consideration the scale of the community. Ms. Visnauskas replied that it would be more nuanced than the 25 and it will be tiered in relation to proximity to New York City. She noted that there will be an overall target, but not a specific way to get there or how to do it. The next question dealt with labor issues concerning the construction of the additional housing, with an emphasis on how to deal with developers who bring in labor force from outside the State. There were also questions on the funding for the technical assistance that would be required to conduct the feasibility studies that would be required in advance of any public spending. Ms. Visnauskas noted that HCR would conduct a grant program funded by \$250 million in the budget to create a panel of providers. There was a question about certain dollars allocated for Hurricane Sandy use which may not yet have been allocated. Ms. Visnauskas stated that she would check into that issue.

The first item on the agenda was the adoption of the minutes of the SONYMA Board meeting held on December 15, 2022. There being no objections or corrections from the Directors, the minutes were deemed approved.

The next item on the agenda was a resolution concerning the review and approval of the Mission Statements of the Agencies. Ms. Visnauskas noted that this item had been discussed at the Governance Committee meetings held immediately prior to the Board meetings. She noted that staff had proposed certain changes to the HFA/AHC Mission Statement designed to incorporate some new objectives found in the new State Housing Plan. During the Committee discussions, Committee members approved the proposed changes, but offered some additional proposals for staff consideration. These comments concerned adding specific references dealing with Green initiatives, climate bonds, new construction initiatives, expanding diversity within the development community, and diversity in contracting. After a discussion, the Governance Committee adopted resolutions recommending no changes to the Mission Statement to be filed with PARIS before the end of the month and requesting that staff add text to the draft Mission Statements now before the Committees to incorporate the comments from the Committees, so that the HFA/AHC Mission Statement could be reviewed anew at the next Board meeting, at which time it would be re-filed with PARIS. The MBBA and TSFC Board members also discussed proposing certain changes to the MBBA Mission Statement since that Agency only undertook one bond refunding during the last year. The Board and staff discussed the legal and program obstacles that exist and make it difficult for MBBA to become active in assisting municipalities. Board members Baldwin, SanFilippo and McIntyre discussed having future discussions to see what GFOA and the Department of State could do in terms of assistance.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, STATE OF NEW YORK MORTGAGE AGENCY, NEW YORK STATE AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND TOBACCO SETTLEMENT FINANCING CORPORATION REVIEWING AGENCY MISSION STATEMENTS AND FILING THEM PENDING THE ADDITION OF CERTAIN CHANGES AT THE FEBRUARY 2023 BOARD MEETINGS

The next item on the agenda was approval of the Board Self-Evaluation. Ms. Visnauskas noted that this item had been discussed at the Governance Committee meetings.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, THE STATE OF NEW YORK MORTGAGE AGENCY, THE NEW YORK STATE AFFORDABLE HOUSING CORPORATION, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, AND THE TOBACCO SETTLEMENT FINANCING CORPORATION CONCERNING BOARD SELF-EVALUATIONS

The next item on the agenda was a resolution approving extension of the Annual Investment Report and Quarterly Investment Report. Ms. Visnauskas noted that this item was deferred to a future meeting.

The next item on the agenda was a resolution approving the Agencies' Annual Procurement Report for the period ending October 31, 2022.

Ms. Pagnozzi presented the Report. She summarized for the Board certain MWBE data found in a table included in the Board memo accompanying the Report, going over the percentage of MWBE participation, the moneys spent on MWBE procurements and the various exemptions and exclusions. Ms. McKeown confirmed that the percentage of MWBE participation is a percentage not of the overall Agency dollar spend, but of that spend after the exclusions and exemptions are applied. Ms. Pagnozzi noted that the Agencies' achieved 69% in overall MWBE participation for procurement contracts and purchase orders in fiscal year 2022 and that the Agencies have been extremely aggressive in their efforts to increase MWBE participation on all procurement opportunities.

The Board discussed certain aspects of the report dealing primarily with MWBE matters. Professor Ford noted that as he has stated at prior Board meetings, he would like to be provided with data that looks at the Agencies' MWBE numbers and breaks the down by specific categories to see how those numbers reflect African American participation. He noted that he understood that the Agencies were following State law on MWBE definitional criteria, but stated his view that the Agencies must make every effort to ensure that African Americans receive the benefits of the MWBE legislation commensurate with their numbers in New York State. He asked again about the availability of those numbers and about the Agency efforts to maximize African American participation in our procurements and programs. Ms. Visnauskas and staff suggested that it would be helpful to have a separate discussion with the staff at ESD, the State agency charged with responsibility for enforcing the MWBE mandates, to go over these issues and invited Professor Ford and any other interested Board members to join in that discussion.

Professor Ford added that as contracts come before the Board for review and approval, he would appreciate receiving the data he has requested so that not just the annual or quarterly reports reflect the MWBE participation but so that the specific categories within the MWBE definition are presented on a contract by contract basis. To that end, Ms. Pagnozzi noted certain recent changes to the RFP scoring on contracts that will give additional weight on scoring to respondents who can

show specific proposed staffing that includes minorities and women. This will mean that not just status as an MWBE entity, but actual MWBE participation in the contracts will be encouraged.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, STATE OF NEW YORK MORTGAGE AGENCY, NEW YORK STATE AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND TOBACCO SETTLEMENT FINANCING CORPORATION APPROVING THE ANNUAL PROCUREMENT REPORT

The next item on the agenda was a resolution approving the Agencies' Public Authorities Reporting Information System (PARIS) Filing Report.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, THE STATE OF NEW YORK MORTGAGE AGENCY, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, AND THE TOBACCO SETTLEMENT FINANCING CORPORATION ACCEPTING A FILING UNDER THE PUBLIC AUTHORITIES REPORTING INFORMATION SYSTEM

The next item on the agenda was a resolution approving the Acquisition/Disposition and Inventory Guidelines and Reports.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, STATE OF NEW YORK MORTGAGE AGENCY AND STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY CONCERNING THE PROPERTY DISPOSITION GUIDELINES AND THE INVENTORY AND PROPERTY DISPOSITION REPORT

Ms. Visnauskas noted that the next item on the agenda was a Resolution appointing a Senior Vice President for Single-Family Programs.

Ms. Levy presented the item.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

**A RESOLUTION OF THE
STATE OF NEW YORK MORTGAGE AGENCY
APPOINTING DARRELLE FORDE AS
SENIOR VICE PRESIDENT OF SINGLE-FAMILY PROGRAMS**

Ms. Visnauskas noted that the next item on the agenda was a Resolution approving an amendment to the Asset Liability Committee Policy.

Mr. Valella presented the item.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

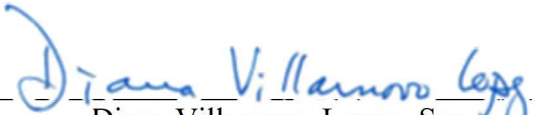
**A RESOLUTION OF THE
STATE OF NEW YORK MORTGAGE AGENCY ADOPTING AMENDMENTS TO AN
ASSET AND LIABILITY POLICY**

Ms. Visnauskas noted that the next item on the agenda is an informational item, and that there would be no discussion on this item unless the Members so requested.

The next item on the agenda was a report on Agency Procurements in the Lobbying Restricted Period.

There being no unfinished business, Ms. Visnauskas asked for a motion to adjourn the SONYMA Board meeting. Considering the first and second motions previously entered, the motions were carried, and the meeting was adjourned.

Ms. Lopez informed the Members that the next SONYMA Board meeting is scheduled for Thursday, February 16, 2023, at 9:00 a.m.


Diana Villarnovo Lopez, Secretary